

SENATE BILL 703

Q7

2lr2578

By: **Senators Pipkin, Brinkley, Colburn, Glassman, Jacobs, and Shank**
Introduced and read first time: February 3, 2012
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Estate Tax and Inheritance Tax – Repeal**

3 FOR the purpose of repealing the inheritance tax and the Maryland estate tax related
4 to decedents dying on or after a certain date; providing that the Comptroller
5 retains certain authority relating to the inheritance tax and the Maryland
6 estate tax related to decedents dying before a certain date; providing for the
7 application of this Act; and generally relating to the repeal of the inheritance
8 tax and the Maryland estate tax.

9 BY repealing and reenacting, with amendments,
10 Article – Tax – General
11 Section 7–202 and 7–302
12 Annotated Code of Maryland
13 (2010 Replacement Volume and 2011 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article – Tax – General**

17 7–202.

18 **(A)** [Except] **SUBJECT TO SUBSECTION (B) OF THIS SECTION AND**
19 **EXCEPT** as provided in § 7–203 of this subtitle, a tax is imposed on the privilege of
20 receiving property that passes from a decedent and has a taxable situs in the State.

21 **(B) FOR DECEDENTS DYING ON OR AFTER JANUARY 1, 2012, THE**
22 **INHERITANCE TAX IS REPEALED.**

23 7–302.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(A) [Except] SUBJECT TO SUBSECTION (B) OF THIS SECTION AND**
2 **EXCEPT** as provided in § 7–303 of this subtitle, a tax is imposed on the transfer of the
3 Maryland estate of each decedent who, at the time of death, was:

4 (1) a resident of this State; or

5 (2) a nonresident of this State whose estate includes any interest in:

6 (i) real property permanently located in this State; or

7 (ii) tangible personal property that has a taxable situs in this
8 State.

9 **(B) FOR DECEDENTS DYING ON OR AFTER JANUARY 1, 2012, THE**
10 **MARYLAND ESTATE TAX IS REPEALED.**

11 SECTION 2. AND BE IT FURTHER ENACTED, That notwithstanding the
12 repeal of the Maryland estate tax and the inheritance tax as provided in Section 1 of
13 this Act, the Comptroller retains full authority to audit, administer, and enforce the
14 Maryland estate tax and inheritance tax related to decedents dying before January 1,
15 2012.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2012, and shall be applicable to all decedents dying on or after January 1,
18 2012.